



# DEPARTMENT OF THE AIR FORCE

HEADQUARTERS AIR FORCE MATERIEL COMMAND  
WRIGHT-PATTERSON AIR FORCE BASE OHIO

MAR 08 2004

MEMORANDUM FOR ALHQCTR/CC

FROM: AFMC/CC  
4375 Chidlaw Road  
Wright-Patterson AFB OH 45433-5001

SUBJECT: AFMC Management and Oversight of Acquisition of Services Process  
(MOASP)

1. This memorandum establishes AFMC policy for pre- and post-award management and oversight of services contracts. The attached AFMC MOASP, dated 11 Feb 04, is effective immediately. The process set forth in the attachment identifies AFMC Center Commanders as "Designated Officials." The AFMC MOASP permits delegation of this responsibility, allowing maximum flexibility while meeting the scope and intent of DoD direction and underlying statute.
2. Increased DoD expenditures on service contracts yielded increased Congressional interest and oversight. The National Defense Authorization Act for Fiscal Year 2002 (Section 801 of Public Law 107-107) directed each military service to establish a designated official and a management structure for services contracts, and required the DoD to establish sound management and oversight processes for service contracts. Further direction from SAF/AQ established the requirement for each MAJCOM to implement a formalized management and oversight process.
3. My point of contact for this action is Mr. D. Brian Morris, HQ AFMC/PKV, DSN 787-6811.

GREGORY S. MARTIN

General, USAF  
Commander

Attachment:  
AFMC MOASP, 11 Feb 04, w/Atch

**Air Force Materiel Command**  
**Management and Oversight of Acquisition of Services Process (MOASP) (11 Feb 04)**

1. **Purpose:** This process implements paragraph 3 of the USAF Management and Oversight of Acquisition of Services Process (MOASP) issued by ASAF(A) memorandum dated 03 June 2003. The USAF MOASP requires AFMC to implement a process similar to the USAF MOASP for the review and approval of all services acquisitions.
2. **Applicability:** This MOASP is applicable to all AFMC services acquisitions, as set forth in paragraph 7 below, regardless of whether the services are procured through a contract or task order issued within the Department of Defense or through a contract or task order issued by an official of the United States outside the Department of Defense. The USAF MOASP and/or USD(AT&L) Acquisition of Services letter dated 31 May 2002 should be consulted prior to initiating any services acquisition exceeding the AFMC threshold.
3. **Exceptions:** This process does not apply to Non-Appropriated Fund (NAF) Services, Construction, Architect-Engineering or Housing/Utilities Privatization.
4. **Designated Officials (DO):** The AFMC Center Commanders are the Designated Officials within AFMC, and have the authority to delegate this authority as set forth in paragraph 7 below. For services acquisitions made directly by HQ AFMC the DO shall be established as set forth in paragraph 7 below.
5. **Responsibilities:** Each DO within AFMC shall approve, in advance, all services acquisitions and ensure they are based on a strategic approach and that business arrangements comply with applicable statutes, regulations and policies.
6. **Management Controls:** DO's shall establish/maintain the following management processes for each contract/task order, whether issued within or outside of DoD:
  - (a) Pre-award: The requiring activity for each services acquisition shall conduct an Acquisition Strategy Panel (or equivalent) and prepare an Acquisition Plan (in accordance with attachment 1 hereto) and obtain approval to proceed from the DO. Both the ASP and AP must contain proposed outcome based objectives and appropriate metrics. Metrics shall be structured to provide timely and accurate assessments of the contractor's performance. Any resultant solicitation and contract award will be reviewed and approved by the DO prior to release to ensure that the finalized metrics and performance based requirements are included.
  - (b) Post-award: Conduct post award review, no later than 30 days after the contractor's full assumption of contract workload, to determine if the contractor successfully completed transition, is fully operational and is within estimated budget. Significant negative variations to cost, schedule and/or other performance metrics should be reported to the Center level DO. Any services acquisition experiencing a significant deviation is

also subject to a special review at HQ AFMC/XR and HQ AFMC/PK. (Program manager or contracting officer shall include explanation of the causes for the significant variance and provide an assessment of the contractor's corrective action plan)

**7. Thresholds:**

<b>Designated Official <sup>(1)</sup></b>	<b>Total Estimated Acquisition Value</b>	<b>A-76 Studies</b>	<b>Information Technology (IT)</b>
USD (AT&L) or AFAE	≥\$2 Billion		
AFPEO/CM	≥\$100 Million	300+ FTEs	
HQ AFMC <sup>(2)</sup>	≥\$5 Million	<300 FTEs	≥\$5 Million
OASD/NII			> \$32 Million any one year, total program costs >\$126M or total Life Cycle Costs >\$378M <sup>(3)</sup>

<sup>(1)</sup>USD(AT&L), AFAE, and AFPEO/CM retain Designated Official authority for all acquisitions identified as special interest, regardless of total estimated acquisition value. They may also delegate Designated Official authority to lower levels. (Note: Weapon Systems Program Executive Officers (PEOs) are the Designated Officials for services acquisitions incorporated into programs in their portfolio.)

<sup>(2)</sup>AFMC delegates review of all center level services acquisitions from ≥\$5M to \$100M and IT service acquisitions ≥\$5M to <\$32M to Center Commanders unless designated as a special interest item. Center Commanders may delegate DO authority to the 2-letter level. The 2-letter may redelegate DO authority for all services acquisitions with a total estimated acquisition value ≥\$5M to ≤\$10M and IT services acquisitions ≥\$5M to ≤\$10M to the 3-letter level. No further delegation is authorized. HQ AFMC/CC delegates DO authority for all internal HQ AFMC level services acquisitions to the two letter organization responsible for the services acquisition. The HQ AFMC two letter organization may redelegate DO authority for all services acquisitions to the 3 letter level.

<sup>(3)</sup> In accordance with DoDI 5000.2, these amounts shall be estimated based on FY 2000 constant year dollars.

Note: Contracting Officers should include 30 days in the acquisition schedule for each review conducted by AFPEO/CM or AFAE and 90 days for each review conducted by USD.

8. **Annual Reporting Requirements:** Annual reporting of all services acquisitions is required. AFPEO/CM will collect this data utilizing DD350 and Federal Procurement Data Systems (FPDS) for applicable AFMC services acquisitions.

9. **Waiver Process:** AFMC Designated Officials may not waive the reporting requirements or management controls contained in this MOASP without prior approval of HQ AFMC/PK.

10. **References:** Additional information and a listing of all related Public Law, DoD and USAF documents can be found at <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkv/moasp.htm>.

ATTACHMENT 1  
TO  
AIR FORCE MATERIEL COMMAND  
MANAGEMENT AND OVERSIGHT OF ACQUISITION OF SERVICES PROCESS

ACQUISITION STRATEGY CONTENT:

The acquisition strategy shall address the following:

**Requirement:** The outcomes to be satisfied and if such outcomes are performance-based (see FAR Subpart 37.6) and the measures of success for the service acquisition. How the requirement was previously satisfied (if it is not new).

**Risks:** The acquisition strategy shall identify current and potential cost, schedule and performance risks, the level of stated risks, and a risk mitigation plan.

**Competition:** Explain how full and open competition will be provided. If other than full and open competition, provide an explanation of why, and a citation of the statutory authority that allows less than full and open competition. Plans for competition for any foreseeable follow-on acquisitions should also be addressed.

**Implications:** How the new acquisition will support the achievement of small business goals/targets. How the new acquisition will support any other applicable directed programs.

**Business Arrangements:** How the acquisition will be funded, the type of business arrangements anticipated (e.g., single contract, multiple award task order contract), the duration of each business arrangement (base period and all option periods), cost estimate for the total planned acquisition, and pricing arrangements (e.g., fixed price, cost reimbursement, time and materials, labor hour, or variations, based on guidance in FAR Part 16 and, for commercial services, in FAR Part 12). Task orders executed within a service acquisition reviewed under this policy do not require a separate review by the Component Acquisition Executive (CAE) or Head of the Contracting Agency (HCA) (for those components without a CAE) (unless delegated), provided the task order is issued under the approved conditions.

**Multi-year Contracts:** If the acquisition strategy calls for a multi-year service contract to be entered into under the authority of 10 USC 2306c, the acquisition strategy must address the DoD Component's plans for budgeting for termination liability for multi-year. Also, OMB Circular A-11 requires that multi-year service contracts be scored as operating leases. Therefore, the acquisition strategy must address the budget scorekeeping that will result from use of the proposed contracting strategy.